



**2011 CalPERS Health Plan Rate and Benefit Changes Seminar**  
 CalPERS Health Maintenance Organization (HMO) Plans – Blue Shield of California

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**Blue Shield's two HMO plans**  
*We need your help to eliminate the confusion between our two plans...*

- Access+ – the premium, fully-loaded HMO that's predictable and cost-effective
  - Most appropriate for solo subscribers who use their plan, families with older children, and those looking for flexibility
- NetValue – the value HMO that accommodates choice
  - Most appropriate for families with young children, solo subscribers who do not use their plan often, and those looking for cost savings

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**Access+ network**

- The premium, fully-loaded HMO with no deductible that's predictable and cost-effective available throughout California
  - Choice of over 11,000 primary care physicians statewide
  - Over 300 hospitals statewide
  - Over 21,500 specialists statewide
  - Self-referral through Access+ Specialist

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### Access+ Benefit Highlights

- Physician Services
  - \$ 0 charge for preventative care
  - \$15 office visit copay for primary doctor, and specialist care
  - \$ 30 copay for self-referral specialist visits
- Diagnostic Testing (Lab, X-Ray)
  - \$0 Co-pay
- Hospitalization
  - No charge inpatient or outpatient

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### Access+ Benefit Highlights

- Prescriptions
  - For short-term or acute illness from a retail pharmacy, for a 30-day supply: \$5 generic, \$15 brand, \$45 non-formulary
  - For maintenance drugs from a retail pharmacy, for a 30-day supply after the first 3 months: \$10 generic, \$25 brand name, \$75 non-formulary
  - For maintenance drugs by mail, up to a 90-day supply: \$10 generic, \$25 brand name, \$75 non-formulary

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### NetValue network

- The value HMO with no deductible that accommodates choice
  - Available to almost 80% of CalPERS Blue Shield members. In 2011 NetValue will be offered in 23 counties, including Santa Clara, Santa Cruz and the balance of San Mateo
  - The NetValue network is comprised of the most efficient providers
  - Because of the more efficient network, members pay a lower monthly premium without sacrificing quality of care
  - NetValue has created the competition needed to drive some providers to reduce their rates and/or referral patterns in order to participate in this product; in some cases medical groups have re-negotiated rates in order to meet the criteria to be included in the network

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### Blue Shield 65+

- Blue Shield 65+ is a GMA-PD health plan that has replaced the Blue Shield Medicare COB plan in all or parts of Fresno, Kern, Los Angeles, Madera, Orange, Riverside, San Bernardino, San Luis Obispo and Ventura counties
- The plan provides health benefits to anyone eligible for Medicare who enrolls in and receives services from the plan instead of receiving their benefits and care through the traditional fee-for-service Medicare program

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### Blue Shield 65+ (continued)

- To participate members must be enrolled in both Medicare Parts A and B and receive all Medicare-covered benefits through Blue Shield 65+
- Members choose a primary care physician and receive services from Blue Shield's network of providers, similar to a traditional HMO
- The plan administers and delivers both medical and prescription drug coverage

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### 2011 Benefit Changes

- The only medical benefit change for Blue Shield plans will be the introduction of a \$250 hospital co-pay for upper and lower endoscopy, cataract surgery, and spinal injection when an outpatient hospital is used in lieu of an ambulatory surgery center – Blue Shield contracts with over 446 ambulatory surgery centers throughout California
- Exclude the non-formulary brand prescription co-pay from the \$1000 maximum out-of-pocket (OOP) mail-order spend for members

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### 2011 Benefit Changes (continued)

- Change the partial co-pay waiver for non-formulary brand drugs. Non-formulary brand retail co-pays will increase from \$30 to \$40; mail order co-pays will increase from \$45 to \$70
- Establish a 50 percent coinsurance for drugs used for erectile dysfunction

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### Valuable Services for Members

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|-----------------------------|--|
| • Access+ Specialist        | • Health management programs   |
| • Access+ Satisfaction      | • Ratings & Review   |
| • Nurse Help 24/7           | • Ask & Answer   |
| • Life Referrals 24/7       | • <a href="http://blueshield.ca.com/calpers">blueshield.ca.com/calpers</a> |
| • Ask A Pharmacist          | • Hospital Comparison Tool   |
| • Healthy Lifestyle Rewards | • Drug Interaction Checker   |
| • Travel coverage           | • Symptom Checker  |
| • Away From Home Care       |  |

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### Valuable Services for Members (continued)

- Surgery – before and after
- Hearing and visual resources
- Patient Ally
- Health library

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### Members Save Money and Get Healthy

- Acupuncture, Chiropractic and Massage therapy services – 25% or more off the usual and customary fees
- Online discounts on health-improvement products including vitamins, herbal supplements, homeopathic remedies, diet and sports nutrition, yoga and fitness equipment, personal body care and health and wellness books, audio and DVD products

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### Members Save Money and Get Healthy (continued)

- Vision – 20% off the published retail prices when an in-network provider is used including routine eye examinations, frames and lenses, tints and coatings, non-prescription sunglasses
- LASIK laser vision – 15% discount when an in-network provider is used
- Weight Watchers discounts
- 24 Hour Fitness discounts
- Drugstore.com discounts

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### Useful Tools for You and Members

- Custom newsletter for CalPERS HBOs, *In The Know*, with articles and information you can use in your own newsletters
- Custom newsletter for CalPERS members, *Shield Connect*, with benefit information as well as helpful tips and tools
- Our dedicated CalPERS Member Services staff is available to help 7 a.m. to 7 p.m., Monday through Friday at 800-334-5847
- Dedicated CalPERS HBO Priority Services staff to expedite your needs

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### Useful Tools for You and Members (continued)

- A series of informative and educational Webinars for HBOs and members
- A comprehensive “Find a Provider” online tool that identifies physicians by location, specialty and IPA, hospital affiliation and ambulatory surgery centers
- Dedicated Blue Shield Account Management Team

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### How Do Members Find a Doctor?

Members have two options to find and choose a Primary Care Physician or a specialist

1. They can call our dedicated CalPERS Member Services team at 800-334-5847 and have a custom directory mailed or emailed to them
2. They can go to our dedicated CalPERS website at [www.blueshieldca.com/calpers](http://www.blueshieldca.com/calpers) and find a physician using our online tool

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### How Do Members Find a Doctor? (continued)

- A change of their Primary Care Physician must be made through Member Services or online at [blueshieldca.com](http://blueshieldca.com)
- Members can change their primary care physician as often as once a month and do not need to wait for open enrollment

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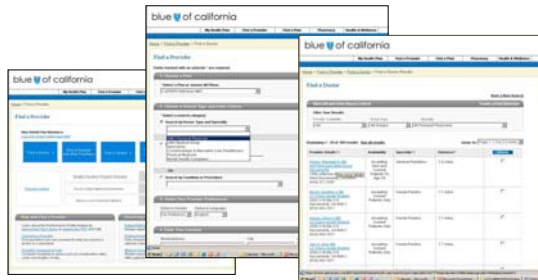
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### Online Find a Provider Feature



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## 2011 CalPERS Health Plan Rate and Benefit Changes Seminar

### Helpful Websites and Phone Numbers

- CalPERS
  - [www.calpers.ca.gov](http://www.calpers.ca.gov)
  - 888 CalPERS (or 888-225-7377)
- Anthem Blue Cross
  - [www.anthem.com/ca/calpers](http://www.anthem.com/ca/calpers)
  - (877) 737-7776
- Blue Shield of California
  - [www.blueshieldca.com/calpers](http://www.blueshieldca.com/calpers)
  - (800) 334-5847
- Kaiser Permanente
  - [www.kp.org/calpers](http://www.kp.org/calpers)
  - (800) 464-4000
- Medco
  - [www.medco.com/calpers](http://www.medco.com/calpers)
  - (800) 939-7091

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2011 CalPERS Health Plan Rate and Benefit Changes Seminar  
Northern California Sessions

Date: July 30, 2010  
Segment: Health Plan Rate and Benefit Changes Seminar  
Host: Pamela Goldberg  
Guests: Heidi Clark, Blue Shield

**Video Transcript**

Pamela Goldberg:  
... representative from Blue Shield, Heidi Clark.

Heidi Clark:  
Thank you so much. So just jumping right on in. So Blue Shield of California offers two plans to CalPERS membership. The first is our Access+ HMO which you've heard of now for several years. It's really our flagship HMO. And then the second is our NetValue plan which is newer on the market and it's really our value based HMO.

So I'm going to jump into a little bit more detail as to the specifics of these two plans. So, first and foremost is our Access+ plan. All right. So our Access+ plan again is really our flagship HMO. It's available across the state of California and it really offers members an HMO plan option that provides them with a great deal of choice. So when you look at our slide that highlights our Access+ plan, you can see that our network is fairly large across the state. We have over 11,000 primary care physicians available to members under the Access+ plan. With that, we have over 300 hospitals available across the state. We also offer over 21,000 specialists that are available to members. And one of the great features through our Access+ plan is that we have a self-referral benefit available to members where they can actually self-refer to one of those 21,000 specialists that's available without our network. The Access+ benefit is also available to our NetValue members as well. And I'm going into those features a little bit later on.

Jumping into the benefits we have available under the Access+ plan, this has been highlighted a little bit previously so we do offer a zero dollar copay for preventative services. So members that need to go for their annual exams, this would also include well baby care. And it also folds in allergy testing and treatment as well at a zero dollar copay. Office visit is just a standard \$15 office visit copayment. And if members are referred through their Primary Care Physician, they're also going to pay another \$15 for that visit. So as I mentioned before, we do offer a self-referral benefit to members. So if a member chooses to self-refer to a Primary Care Physician that's within their medical group, they're going to pay a \$30 office visit copayment.

Looking into our lab, x-ray, diagnostic treatment type services, for those benefits, members are going to pay a zero dollar copay. So with Access+ plan you really have that predictability of knowing exactly what you're going to pay when you go



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in for services. You're going to pay nothing when you have those lab services or you have those radiology services.

Going into our hospital benefit, there's no charge for inpatient and outpatient hospitalization. It's covered at 100% predictability.

Going into our next slide. I'm going to give you a little bit more detail on our NetValue plan. As I mentioned before the NetValue plan is really our value-based HMO. And it's recently expanded going into 2011 to an additional three counties. So we're proud to say that we're now going to be available to members who reside in Santa Cruz County, all of San Mateo and Santa Clara Counties. So it's available now to our Bay Area members.

So with the NetValue plan, essentially what it offers is the same rich benefits that I described under the Access+ plan. The difference with this plan is that we actually went in, we evaluated our full Access+ network of physicians. And we identified those doctors that met certain efficiency standards and quality practices, and we were able to build really a hybrid network of high performance physicians. And because these doctors meet these certain efficiency standards, we're able to offer a lower premium to members for the NetValue plan. So, essentially what your members are going to find is they're going to have a rich benefit offering with these high performance physicians to where they're going to save in their monthly premium. Going back to that Access+ benefits slide, the benefits are identical. You're going to see exactly the same benefit package through our NetValue plan. So I described that zero dollar copay for preventative, 100% coverage for your lab and for your x-ray. All of those benefits, that suite of coverage, is available to you under the NetValue plan with our high performance network.

So our next slide is our 65+ benefit. So 65+ is a Managed Medicare HMO plan that's available to members in certain counties in Southern California. So for those of you that are attending this session, you are predominantly here in Northern California but I'm going to go ahead and just walk you through at a high level what this plan is. So, up in the north we offer a Medicare supplemental plan and it is identical to what I described as far as the Access+ and the NetValue plan. Down in Southern California, in our in Fresno, Kern, Los Angeles, Madera, Orange, Riverside, San Bernardino, San Luis Obispo, and Ventura counties we actually offer to those members that have Part A and Part B Medicare our Shield 65+ plan. It's a Managed Medicare plan to where it really is a very simple product for members to use. It works just like the traditional HMO that they experience when they're an active employee to where they have a primary care physician and a medical group. Any time they need to access care they're going to go ahead and get a referral and see that doctor within their group. And they're going to pay a simple \$10 office visit copayment. The beauty of this plan is that it actually does not involve any kind of coordination with Medicare. Benefits are handled directly through the plan which would be Blue Shield of California. So

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with a traditional Medicare supplemental plan, members have to bill Medicare first and then claims go to the plan to process the secondary. With our 65+ plan, members just have one ID card, simply go to the doctor and they access care.

So jumping into the benefit changes that have impacted the Blue Shield plans going into 2011, the only real medical benefit change that has been put into place is the potential of a \$250 copayment for certain outpatient procedures which we've outlined here on this slide. When they're performed in an outpatient hospital setting versus an ambulatory surgery center. So, we have implemented this benefit and essentially what we're going to be doing is we're going to be communicating to our medical groups to ensure that they have an understanding that we really want to see our members who are having certain outpatient procedures directed to an ambulatory surgery type center for these services. Now when members go to an ambulatory surgery center, they're still going to enjoy that 100% coverage, no copayment for those types of services. However, if they do choose to go to an outpatient or inpatient type hospital setting for those services that could be performed in that type of environment, they are going to be subject to a \$250 copayment. Now just to let all of you know, we're going to be sending a great deal of communications out to our provider network, as I mentioned, also to our members to ensure that they have a full understanding of this benefit.

So similar to what Medco described, we also have implemented an additional layer to our out-of-pocket maximum under mail order benefits. So currently members who use our outpatient, or excuse me, our mail service benefit to where they go through mail and they get their prescription drugs delivered to their home, Blue Shield actually keeps track of the drugs sent through that service. And once members have paid out-of-pocket in copays up to \$1,000 we actually pay for their mail order medications at 100%. Right now, we allow for Blue Shield members to get those medications for non-formulary, formulary brand and generic medications and we keep track of it and base that \$1,000 off all of that drug spend. But going into next year, we're only going to count into that \$1,000 out-of-pocket generic formulary medications and brand name formulary medications. And then the last two benefit changes, we currently, we offer three tiers of pharmacy benefits to CalPERS members. They have a formulary generic copayment, a brand formulary copayment and they also again have a non-formulary coverage. So if a medication is not a formulary, they still have coverage for that. Now if a member has a medical need to where they cannot take a formulary medication, they can, their physician can contact Blue Shield and we can initiate a copayment waiver to where we'll actually provide them with an even more reduced copayment than what would they would normally pay for a non-formulary drug. Currently members pay a \$30 copayment for those services and we're actually changing that copayment going into 2011 to \$40 when the service is received at retail, and it's going to go from \$45 to \$70 when it's obtained through the mail order program. So we really do want to encourage members to go through our drug formulary to receive their medications.

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And then lastly, this particular benefit is a change again to our pharmacy benefit and is related to certain lifestyle medications to where we're now going to be applying a 50% coinsurance to those types of medications.

So this slide provides you with a little bit more detail as to some of the value-added services that we provide to Blue Shield members. I'm not going to go through each of them. I would really encourage all of you to visit the Blue Shield website. And in the materials that you're going to be getting after this meeting, you're going to have information as to our URL. But we do offer a number of great resources including our nurse 24/7 support line to where members can actually contact or reach out to a registered nurse on Christmas Eve if need be, it's available to them. Life referrals is a great service that we're seeing a lot of members utilize during these challenging times to where they can actually get referrals to mental healthcare providers, free services, life challenges including legal support, adult daycare. Many of us have aging parents that we need support with. Life referrals is really a tool that's available to members that can help assist with that.

So one other mention that I want to call out on that particular slide on slide 55 is our Healthy Lifestyles Rewards Program. This still continues to be available to our members. Essentially what it is is it's an online wellness program where members can take charge of their own individual health. Just for taking the wellness assessment, we're going to give them \$50 for taking part. If they choose to continue on in the program, they can actually earn up to \$200 a year. We pay it out to members in a Visa debit card. They can use it anywhere. They can use it at Target, Whole Foods, it's available to them to use. And it's offered to all members who are on one of our Access+ or NetValue plan that are over the age of 18. So if you have a dependent child, somebody to that effect, they can also enroll in the program and get a Visa debit card.

So we do offer a number of discount programs to our members. And we offer up to a 25% off discount for chiropractic, acupuncture. We also offer it for massage therapy as well. If you go to one of our preferred vendors. And again on the materials, you're going to have a link to our website where you can get more information about this. But really it works similar to a AAA discount to where you present them with your Blue Shield card and the provider's going to take 25% off the top of the bill. We also offer a discount for different online programs such as you can join Weight Watchers meetings and get a discount, 24 Hour Fitness and also drugstore.com which sells a lot of alternative healthcare type medications. So we offer a number of very useful tools to CalPERS members, but also to you as a Health Benefits Officer. We have a dedicated website that's specific for Health Benefits Officers. We have a dedicated support line that you can call for information and we can provide that in the meeting details as well. But also many of you may be receiving a customized newsletter from Blue Shield and alerts from Blue Shield that we're sending out on a semi monthly basis. And it's

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called In the Know. And I would encourage all of you to go out to Blue Shield's website and you can take a look at this. And for example, we sent it out after the CalPERS board made a determination on rates once benefits were finalized. It really keeps you in the know as to the latest changes that are happening with your Blue Shield CalPERS members. And there's a lot of really fantastic value-added information that you can use in your own newsletters. So if you're sending out communications to your employees about maybe how to manage their health, how to take care of their skin during the summer, those different types of health tips, they're included In the Know. And we encourage you to take that information, copy and paste it and use it in your own newsletters or feel free to forward what we provide out to members as well.

So the next slide really goes on to provide a little bit more detail as to some of the useful tools that we have available to members. We're trying to do quite a few webinars to help keep you all informed as to changes with the Blue Shield health plan. We're trying to provide education too that's just useful from a broad scheme of things, not even looking at just your, your Blue Shield plan itself, we're trying to roll out some crack the healthcare code presentations to where you can actually help to educate your members on how best to utilize their healthcare.

So how to be on top of getting your preventative screenings. Many of us have a difficult time when we go into our Primary Care Physician remembering all the questions that come up, preparing maybe for that annual exam and so we want to help educate you as Health Benefits Officers to share with your employees how to prep for those types of visits. And we're hoping that the information that we can provide to you will help manage the care of all your members, not just Blue Shield members. And so be on the lookout from your account representatives for more information about that.

So a question that we commonly receive from Health Benefits Officers is how do we find a physician that is in the Blue Shield network and so the next two slides really provide you with steps as to how to go out on the Blue Shield website and find a provider. So again our URL is listed here and you're simply going to click on Find A Provider. And you can also contact Blue Shield's dedicated member services. We can email a listing of doctors, we can send it by mail. So if you look at this Find A Provider screen, you can see the several steps that you need to go through to search for a physician. And you're really going to want to make sure that when you get to that first step of what type of group you're looking under, you're looking under government plans CalPERS. And then you'll see the selection for Access+ or NetValue. If you have any additional questions, again I would encourage you to contact Blue Shield and we can walk you through the process or send you a directory.

So thank you so much for your time.

**Blue Shield of California (HMO)**  
**Access+ / NetValue**  
**Questions and Answers**

**Q. Does the physician co-pay of \$15 apply also to preventative visits? Blue Shield said \$0 for those types.**

A. Yes. All preventative visits have a \$0 co-pay including office visits for examination, diagnosis and treatment of a medical condition, disease or injury, including specialist office visits, second opinion or other consultations, diabetic counseling, and OB/GYN services from an obstetrician/gynecologist or a family practice physician who is within the same medical group or IPA as the Personal Physician.

Members can expect to pay a \$15 per visit copay for:

Preventative care

1. Preventive health services, as defined, when rendered by a physician are covered.
2. Eye refraction to determine the need for corrective lenses for all Members upon referral by the personal Physician. (Limited to one visit per calendar year, for Members aged 18 and over. No limit on number of visits for Members under age 18.)

Copayment: No charge.

**Q. Regarding self-referral to Specialist. Please clarify, can one self-refer to any specialist within the Blue Shield network, or only those associated with your Primary Care Physician? If it is the latter, how do you find which specialists are associated with your primary care physician?**

A. Access+ Specialist. You may arrange an office visit with a Plan specialist in the same medical group or IPA as your Personal Physician without a referral from your Personal Physician, subject to the limitations described below. Access+ Specialist office visits are available only to Members whose Personal Physicians belong to a medical group or IPA that participates as an Access+ Provider. Refer to the HMO Physician and Hospital Directory or call Blue Shield Member Services at (800) 334-5847 to determine whether a medical group or IPA is an Access+ Provider. When you arrange for Access+ Specialist visits without a referral from your Personal Physician you will be responsible for a \$30 copayment for each Access+ Specialist visit. This copayment is in addition to any copayments that you may incur for specific benefits as described in the Summary of Covered Services. Each follow-up office visit with the Plan specialist which is not referred or authorized by your Personal Physician is a separate Access+ Specialist visit and requires a separate \$30 copayment.

**Q. When will the data regarding the expansion of Blue Shield NetValue to new counties (which hospitals & physician networks are included, etc.) be available?**

A. The data is currently available on the CalPERS sites for Members and HBOs. Our HBO site has two links: *Expanded Network for NetValue Plan Network* (County List) and *News* tab (Medical Groups who have joined the NetValue Network). Our Member site has a link [NetValue HMO Medical Groups for 2011](#)

**Q. Is self-referral program available for Blue Shield Net Value members?**

A. Yes, the Access+ specialist is available to both Access+ HMO, and NetValue HMO members

**Q. Is NetValue plan available in Stanislaus County?**

A. No

**Q. Regarding Blue Shield, Members save \$\$ ...slides. Are these available for Blue Shield NetValue members?**

A. Yes, our Discount Programs are available to all Blue Shield members. For additional information regarding our Discount Programs, please visit our website at [www.blueshieldca.com/calpers](http://www.blueshieldca.com/calpers) click on *Wellness Resources*, click on *Discount Programs*.

**Q. Blue Shield NetValue - please elaborate on the \$250 hospital co-pay?**

A. The \$250 per procedure co-pay applies to upper and lower gastrointestinal (GI) endoscopy, cataract surgery, and spinal injections, when an outpatient hospital is used in lieu of an ambulatory surgery center. This copayment does not apply to any endoscopy performed as a preventive health service.

**Q. Is a \$250 hospital copay per admission for bariatric surgery being added for 2011 for HMOs if the member does not use a Center of Expertise?**

A. No. The \$250 copayment only applies per procedure when an outpatient hospital is used in lieu of an ambulatory surgery center for upper and lower gastrointestinal (GI) endoscopy, cataract surgery, and spinal injection. This copayment does not apply to any endoscopy performed as a preventive health service.

**Q. Who provides the pharmacy benefit for the Blue Shield plans?**

A. Blue Shield of California administers its own pharmacy benefit. We contract with PrimeMail to provide mail order services however claims are processed and paid by Blue Shield.

**Q. Will members be notified of current prescriptions that no longer qualify under the 2011 pharmacy plans?**

A. Members who are taking prescription medications that are impacted by 2011 pharmacy benefit changes will be notified by mail. There are no prescriptions that no longer qualify for coverage under the 2011 pharmacy plans, at most impacted members will notice a change in their co-payments for select prescriptions.

**Q. Blue Shield NetValue Retail Pharmacy benefit change: Will employees receive a letter from the Plan stating their co-payment will increase after the 1st three months? They are mailed directly to member correct?**

A. The maintenance medication benefit was introduced in 2010 and employees were notified of the advantages of moving their prescriptions to the mail service pharmacy, PrimeMail. There is no new benefit change in 2011 that will cause an increase in member co-payments after the 1st three months.

**Q. Are you still not accepting Sutter Medical?**

A. On May 19, 2004, the California Public Employees' Retirement System (CalPERS) Board of Administration voted to create a new 2005 Blue Shield CalPERS Provider Network in an effort to contain rising hospital costs. As a result, the Blue Shield of California provider network offered to CalPERS members was reduced by 24 hospitals statewide, effective January 1, 2005.

Some doctors, such as those affiliated with Sutter Health System, have agreed to contract only with health plans that contract with Sutter hospitals. Since Blue Shield eliminated some of the Sutter hospitals from the 2005 Blue Shield CalPERS Provider Network, some Sutter-affiliated doctors are not available to CalPERS members.

To find out if your current doctor is in our network, or to choose a new doctor, go to [blueshieldca.com/findaprovider](http://blueshieldca.com/findaprovider). Choose *Find a Doctor*, and under *Choose a Plan*, select *CalPERS*, and then choose *CalPERS Access+ HMO*, *CalPERS NetValueHMO*, or *CalPERS Access+ EPO*. If you don't have access to the Internet or need help, simply contact Member Services at (800) 344-5847 for personal assistance. You can change your Personal Physician at anytime for any reason, and your new doctor will be effective on the first of the following month.

**Q. Do you have a list of which hospitals are included?**

A. Yes, and to find out if your current hospital is in our network, or to review the list of hospitals in our network, go to [blueshieldca.com/findaprovider](http://blueshieldca.com/findaprovider). Choose *Find a Hospital, Urgent Care Center or Other Facilities*; under *Choose a Plan*, select *CalPERS*, and then choose

*CalPERS Access+ HMO, CalPERS NetValueHMO, or CalPERS Access+ EPO.* If you don't have access to the Internet or need help, simply contact Member Services at (800) 334-5847 for personal assistance.

**Q. Is there an explanation as to why the rates for Blue Shield increased so significantly?**

A. Blue Shield's CalPERS members have received rate increases well below the state average for the past three years. Blue Shield and CalPERS have collaborated on numerous cost-saving initiatives during these years – including using narrow networks of low-cost, high quality providers – that have resulted in savings for CalPERS. As a result of these efforts, we have been able to keep rates lower, with average increases of 7.4% over the past three years, compared to the state average of 10.2%.

The 2011 rate increase is artificially high because CalPERS used past savings to give members a rate break last year, "buying down" the rate instead of charging a rate that would cover expected medical costs. CalPERS did this to ease the burden of the economic downturn and state worker furloughs. The rate increase for 2010, which should have been around 10%, was instead only 2%. Therefore, the real 2011 rate increase is only 8.2%.

More than 95% of the premiums paid by CalPERS are used to cover the cost of medical care for its members.

**Q. Why does Blue Shield continue offering the Rewards program while having such a huge increase in premiums?**

A. Healthy Lifestyle Rewards is not a contributing factor to the overall premium increase to Blue Shield members. In partnership with CalPERS we believe offering a health management program to our members will help members to proactively manage their overall health. By taking this approach members can help manage the overall rising cost of health care

**Q. If our employee is already a member of Weight Watchers or 24-Hour Fitness can they still get the discounts?**

A. Yes, details noted below.

**Weight Watchers**

- Online savings – \$10 off each 3-month subscription; waived registration fee
- At-home kits – \$10 off each kit
- Meeting vouchers –special member prices (amounts vary by location)
- Premium extras – complimentary walking kits and exercise DVDs

**24 Hour Fitness**

- Waived enrollment and processing fees
- Discounted initiation fees and monthly dues – as low as \$29.99 a month

For members who are already existing customers with either of the above mentioned vendor please contact the vendor directly to see if any of the above mentioned discounts can be applied to your existing account.

**Q. Any restrictions on seeking massage therapy? (e.g. has to be recommended by the physician).**

A. The American Specialty Health Network discount is available to all Blue Shield of California members and allows you to save at least 25% off the cost of visits to acupuncturists, chiropractors and massage therapists. Search American Specialty Health Networks for alternative care providers; go to [www.ash.com](http://www.ash.com), click on Find a Provider, click on Select a Service Type, click on Massage Therapy.

If you don't have access to the Internet or need help, simply contact Member Services at (800) 344-5847 for personal assistance